

## Summary of Jefferson County 2014 Annual Adjustment Methodology

### **Method**

The sales comparison method using local market data was used to adjust the assessed values in Jefferson County for 2014. The annually adjusted values used in the ratio study were developed based on updated land values and any changes in parcel characteristics discovered during 2013 / 2014 new construction field activities. The sales used for the 2014 annual adjustments were from March 2, 2012 to March 1, 2014. .

The land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Jefferson County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been applied to any class.

### **Industrial Improved Properties:**

Sales of improved industrial properties include all valid transactions occurring from March 2, 2012 to March 1, 2014. There were no valid industrial sales during this time period.

### **Commercial Improved Properties:**

Sales of improved commercial properties include all valid transactions occurring from March 2, 2012 to March 1, 2014. There were 30 valid sales countywide whose data were combined for analysis.

### **Commercial and Industrial Land:**

Sales included in the analysis for vacant commercial and industrial properties were expanded to include valid transactions occurring from March 2, 2011 to March 1, 2014. There were no valid industrial sales during this expanded sales horizon.

### **Residential Properties:**

VACANT: Sales of vacant residential properties were expanded to include all valid transactions occurring from March 2, 2011 to March 1, 2014. There were an insufficient number of sales to allow for a credible analysis of any individual township and so were combined for a countywide examination.

IMPROVED: Sales of improved residential properties included all valid transactions occurring from March 2, 2012 to March 1, 2014. It was necessary to group all townships other than Madison and Hanover in order to enhance the statistical reliability of the study.

**NOTE:** Sheet 1 of DLGF file “*JEFFERSON Sales Reconciliation 04-24-2014.xlsx*” was included in the study as the tab named “Sales Reconciliation.”